

Vote 10

National Treasury

Adjusted budget summary

2012/13				
R thousand	Main appropriation	Adjusted appropriation	Decrease	Increase
Amount to be appropriated	21 551 118	21 177 604	(373 514)	–
<i>of which:</i>				
Current payments	1 198 570	1 333 268	–	134 698
Transfers and subsidies	19 792 379	19 432 922	(359 457)	–
Payments for capital assets	360 169	211 414	(148 755)	–
Payments for financial assets	200 000	200 000	–	–
Direct charge against the National Revenue Fund	407 485 142	410 849 972	–	3 364 830
Executive authority	Minister of Finance			
Accounting officer	Director-General of the National Treasury			
Website address	www.treasury.gov.za			

Aim

Support economic growth and development, good governance, social progress and rising living standards through the accountable, economical, efficient, equitable and sustainable management of public finances, maintenance of macroeconomic and financial sector stability, and effective financial regulation of the economy.

Mid-year performance status

Indicator	Programme	Annual performance		
As published in the 2012 ENE	Programme linked to the indicator	Projected for 2012/13 as published in the 2012 ENE	Achieved in the first six months of 2012/13 (April to September)	Changed estimate for 2012/13
Number of training courses and workshops presented on the implementation of financial management reforms per year	Financial Systems and Accounting	90	31	–
Number of individuals trained per year to assist with the implementation of financial management reforms	Financial Systems and Accounting	2 500	479	–
Value of government gross annual borrowing	Asset and Liability Management	R211.9 bn	– ¹	R208.3 bn
Cost to service debt as a percentage of GDP	Asset and Liability Management	2.7% (R89.4 bn)	– ¹	2.7% (R88.8 bn)
Net loan debt as a percentage of GDP	Asset and Liability Management	36.4% (R1 188.7 bn)	– ¹	35.7% (R1 166.1 bn)
Percentage of identified transversal contracts with strategic sourcing principles introduced per year	Financial Systems and Accounting	100% (35)	6% (2)	–
Total number of neighbourhood development partnership grant projects granted award status	Technical Support and Development Finance	90	90	–
Total number of neighbourhood development partnership grant projects under construction	Technical Support and Development Finance	85	73	–
Number of support programmes and projects related to government priorities to improve the efficacy of government institutions implemented per year	Technical Support and Development Finance	90	22	–
Increased public private partnership oversight capacity per year	Technical Support and Development Finance	100% (32)	50% (16)	–
Number of hospital public private partnership projects reaching financial close per year	Technical Support and Development Finance	2	0	–

2012 Adjusted Estimates of National Expenditure

Indicator As published in the 2012 ENE	Programme Programme linked to the indicator	Annual performance		
		Projected for 2012/13 as published in the 2012 ENE	Achieved in the first six months of 2012/13 (April to September)	Changed estimate for 2012/13
Percentage of support plans and Municipal Finance Management Act (2003) implementation plans implemented per year	Technical Support and Development Finance	100% (278)	29% (81)	–
Number of long term township regeneration programmes implemented per year	Technical Support and Development Finance	52	45	–
Third party investment leverage per year	Technical Support and Development Finance	R1.5 bn	R1.0 bn	–
Number of jobs created per year	Technical Support and Development Finance	25 000	326	–

1. These figures are only estimated annually.

Mid-year progress

The approach to capacity building, which was partly redirected towards support of the focused development of accounting graduates, will be integrated with the overall financial management approach. This will be comprehensively rolled out in 2013/14. This will have an impact and will change the annual targets for the “number of training courses and workshops presented on the implementation of financial management reforms” (from 90 to 58), and the “number of individuals trained per year to assist with the implementation of financial management reforms” (from 2 500 to 1 080).

The national Department of Health has taken over ten of the 35 transversal contracts, which had historically been facilitated by the National Treasury in order to streamline the management of the contracts in preparation for the NHI (National Health Insurance). This will therefore reduce National Treasury’s annual estimate.

In the first six months of the year, there have been improvements in the performance of the Neighbourhood Development Partnership grant due to focused engagements and interventions. Through the lessons learned in previous years, the spending and deliverables have improved significantly with good turnaround times. Although there has been slow progress in the projects awards and jobs created in respect of the Employment Creation Facilitation Fund within the first six months of the year, the expectation is that accelerated progress will be made towards the annual target for 2012/13 as the awarded projects will be mostly at implementation stage.

Adjusted Estimates of National Expenditure 2012

Programme	2012/13							Adjusted appropriation
	Main appropriation	Adjustments appropriation					Total adjustments appropriation	
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments		
R thousand								
Administration	318 324	—	—	2 814	—	—	2 814	321 138
Economic Policy, Tax, Financial Regulation and Research	148 958	—	—	(21 750)	—	(4 700)	(26 450)	122 508
Public Finance and Budget Management	227 481	—	—	19 834	—	—	19 834	247 315
Asset and Liability Management	286 557	—	—	(3 750)	—	—	(3 750)	282 807
Financial Systems and Accounting	686 324	10 000	—	(9 989)	—	—	11	686 335
International Financial Relations	1 038 179	—	—	2 319	—	—	2 319	1 040 498
Civil and Military Pensions, Contributions to Funds and Other Benefits	3 348 310	—	—	(2 438)	—	—	(2 438)	3 345 872
Technical Support and Development Finance	2 404 773	—	—	2 971	(408 108)	—	(405 137)	1 999 636
Revenue Administration	9 194 374	—	—	(45 000)	—	—	(45 000)	9 149 374
Financial Intelligence and State Security	3 897 838	—	—	54 989	—	29 294	84 283	3 982 121
Total	21 551 118	10 000	—	—	(408 108)	24 594	(373 514)	21 177 604

2012/13								
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments		
Direct charge against the National Revenue Fund	407 485 142	–	–	–	–	3 364 830	3 364 830	410 849 972
Provincial Equitable Share	309 057 382	–	–	–	–	3 958 416	3 958 416	313 015 798
State Debt Costs	89 388 073	–	–	–	–	(593 586)	(593 586)	88 794 487
General Fuel Levy Sharing with Metros	9 039 687	–	–	–	–	–	–	9 039 687
Total	429 036 260	10 000	–	–	(408 108)	3 389 424	2 991 316	432 027 576
Economic classification								
Current payments	90 586 643	10 000	–	129 398	–	(598 286)	(458 888)	90 127 755
Compensation of employees	665 898	–	–	(49 799)	–	–	(49 799)	616 099
Goods and services	532 672	10 000	–	179 197	–	(4 700)	184 497	717 169
Interest and rent on land	89 388 073	–	–	–	–	(593 586)	(593 586)	88 794 487
Transfers and subsidies	337 889 448	–	–	19 357	(408 108)	3 987 710	3 598 959	341 488 407
Provinces and municipalities	319 153 414	–	–	–	–	3 958 416	3 958 416	323 111 830
Departmental agencies and accounts	13 358 332	–	–	9 175	–	29 294	38 469	13 396 801
Higher education institutions	8 000	–	–	1 000	–	–	1 000	9 000
Foreign governments and international organisations	1 004 713	–	–	8 000	–	–	8 000	1 012 713
Public corporations and private enterprises	1 063 610	–	–	–	(408 108)	–	(408 108)	655 502
Non-profit institutions	85	–	–	–	–	–	–	85
Households	3 301 294	–	–	1 182	–	–	1 182	3 302 476
Payments for capital assets	360 169	–	–	(148 755)	–	–	(148 755)	211 414
Buildings and other fixed structures	5 298	–	–	(296)	–	–	(296)	5 002
Machinery and equipment	189 117	–	–	(159 822)	–	–	(159 822)	29 295
Software and other intangible assets	165 754	–	–	11 363	–	–	11 363	177 117
Payments for financial assets	200 000	–	–	–	–	–	–	200 000
Total	429 036 260	10 000	–	–	(408 108)	3 389 424	2 991 316	432 027 576

Programme 1: Administration

Subprogramme		2012/13						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Ministry	3 599	—	—	—	—	—	—	3 599
Departmental Management	38 099	—	—	(828)	—	—	(828)	37 271
Corporate Services	107 209	—	—	(3 423)	—	—	(3 423)	103 786
Enterprise Wide Risk Management	25 657	—	—	1 780	—	—	1 780	27 437
Financial Administration	36 320	—	—	740	—	—	740	37 060
Legal Services	15 351	—	—	(125)	—	—	(125)	15 226
Internal Audit	9 538	—	—	5 489	—	—	5 489	15 027
Communications	9 867	—	—	(394)	—	—	(394)	9 473
Office Accommodation	72 684	—	—	(425)	—	—	(425)	72 259
Total	318 324	—	—	2 814	—	—	2 814	321 138
Economic classification								
Current payments	294 527	—	—	(2 457)	—	—	(2 457)	292 070
Compensation of employees	149 455	—	—	(12 044)	—	—	(12 044)	137 411
Goods and services	145 072	—	—	9 587	—	—	9 587	154 659
Transfers and subsidies	2 035	—	—	552	—	—	552	2 587
Departmental agencies and accounts	435	—	—	186	—	—	186	621
Households	1 600	—	—	366	—	—	366	1 966
Payments for capital assets	21 762	—	—	4 719	—	—	4 719	26 481
Buildings and other fixed structures	5 298	—	—	(296)	—	—	(296)	5 002
Machinery and equipment	16 464	—	—	5 015	—	—	5 015	21 479
Total	318 324	—	—	2 814	—	—	2 814	321 138

Programme 2: Economic Policy, Tax, Financial Regulation and Research

Subprogramme		2012/13						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Programme Management for Economic Policy, Financial Regulation and Research	19 314	–	–	49	–	–	49	19 363
Research	15 219	–	–	(2 512)	–	–	(2 512)	12 707
Financial Sector Policy	41 631	–	–	(13 663)	–	(4 700)	(18 363)	23 268
Tax Policy	27 873	–	–	(947)	–	–	(947)	26 926
Economic Policy	28 921	–	–	(4 677)	–	–	(4 677)	24 244
Cooperative Banking Development Agency	16 000	–	–	–	–	–	–	16 000
Total	148 958	–	–	(21 750)	–	(4 700)	(26 450)	122 508
Economic classification								
Current payments	122 298	–	–	(21 779)	–	(4 700)	(26 479)	95 819
Compensation of employees	76 777	–	–	(9 957)	–	–	(9 957)	66 820
Goods and services	45 521	–	–	(11 822)	–	(4 700)	(16 522)	28 999
Transfers and subsidies	26 000	–	–	29	–	–	29	26 029
Departmental agencies and accounts	16 000	–	–	–	–	–	–	16 000
Public corporations and private enterprises	10 000	–	–	–	–	–	–	10 000
Households	–	–	–	29	–	–	29	29
Payments for capital assets	660	–	–	–	–	–	–	660
Machinery and equipment	660	–	–	–	–	–	–	660
Total	148 958	–	–	(21 750)	–	(4 700)	(26 450)	122 508

Programme 3: Public Finance and Budget Management

Subprogramme		2012/13						
		Adjustments appropriation						
	Main appropriation	Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments	Total adjustments appropriation	Adjusted appropriation
R thousand								
Programme Management for Public Finance and Budget Management	24 330	–	–	20 726	–	–	20 726	45 056
Public Finance	69 846	–	–	(5 874)	–	–	(5 874)	63 972
Budget Office and Coordination	50 848	–	–	1 503	–	–	1 503	52 351
Intergovernmental Relations	45 189	–	–	3 479	–	–	3 479	48 668
Financial and Fiscal Commission	37 268	–	–	–	–	–	–	37 268
Total	227 481	–	–	19 834	–	–	19 834	247 315
Economic classification								
Current payments	188 840	–	–	19 228	–	–	19 228	208 068
Compensation of employees	152 447	–	–	(4 196)	–	–	(4 196)	148 251
Goods and services	36 393	–	–	23 424	–	–	23 424	59 817
Transfers and subsidies	37 268	–	–	154	–	–	154	37 422
Departmental agencies and accounts	37 268	–	–	–	–	–	–	37 268
Households	–	–	–	154	–	–	154	154
Payments for capital assets	1 373	–	–	452	–	–	452	1 825
Machinery and equipment	1 373	–	–	452	–	–	452	1 825
Total	227 481	–	–	19 834	–	–	19 834	247 315

Programme 4: Asset and Liability Management

Subprogramme		2012/13						
	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments	Total adjustments appropriation	
R thousand								
Programme Management for Asset and Liability Management	15 068	–	–	535	–	–	535	15 603
State Owned Entity Financial Management and Governance	26 739	–	–	(1 036)	–	–	(1 036)	25 703
Government Debt Management	17 823	–	–	(1 195)	–	–	(1 195)	16 628
Financial Operations	17 673	–	–	(1 199)	–	–	(1 199)	16 474
Strategy and Risk Management	9 254	–	–	(855)	–	–	(855)	8 399
Financial Investments	200 000	–	–	–	–	–	–	200 000
Total	286 557	–	–	(3 750)	–	–	(3 750)	282 807
Economic classification								
Current payments	85 861	–	–	(3 750)	–	–	(3 750)	82 111
Compensation of employees	65 781	–	–	(4 285)	–	–	(4 285)	61 496
Goods and services	20 080	–	–	535	–	–	535	20 615
Payments for capital assets	696	–	–	–	–	–	–	696
Machinery and equipment	696	–	–	–	–	–	–	696
Payments for financial assets	200 000	–	–	–	–	–	–	200 000
Total	286 557	–	–	(3 750)	–	–	(3 750)	282 807

Programme 5: Financial Systems and Accounting

Subprogramme		2012/13						
	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments	Total adjustments appropriation	
R thousand								
Programme Management for Financial Systems and Accounting	10 759	–	–	(252)	–	–	(252)	10 507
Supply Chain Policy	45 011	–	–	(9 092)	–	–	(9 092)	35 919
Financial Systems	405 877	–	–	2 693	–	–	2 693	408 570
Financial Reporting for National Accounts	84 974	–	–	(4 579)	–	–	(4 579)	80 395
Financial Management Policy and Compliance Improvement	109 288	10 000	–	1 241	–	–	11 241	120 529
Audit Statutory Bodies	30 235	–	–	–	–	–	–	30 235
Service Charges: Commercial Banks	180	–	–	–	–	–	–	180
Total	686 324	10 000	–	(9 989)	–	–	11	686 335
Economic classification								
Current payments	279 864	10 000	–	143 428	–	–	153 428	433 292
Compensation of employees	151 531	–	–	(10 000)	–	–	(10 000)	141 531
Goods and services	128 333	10 000	–	153 428	–	–	163 428	291 761
Transfers and subsidies	71 912	–	–	579	–	–	579	72 491
Departmental agencies and accounts	71 912	–	–	–	–	–	–	71 912
Households	–	–	–	579	–	–	579	579
Payments for capital assets	334 548	–	–	(153 996)	–	–	(153 996)	180 552
Machinery and equipment	168 794	–	–	(165 359)	–	–	(165 359)	3 435
Software and other intangible assets	165 754	–	–	11 363	–	–	11 363	177 117
Total	686 324	10 000	–	(9 989)	–	–	11	686 335

Programme 6: International Financial Relations

Subprogramme		2012/13						
		Main appropriation	Adjustments appropriation					Adjusted appropriation
			Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments	
R thousand								
Programme Management for International Financial Relations	11 299	—	—	(2 775)	—	—	(2 775)	8 524
International Economic Cooperation	24 406	—	—	(2 906)	—	—	(2 906)	21 500
Common Monetary Area Compensation	602 132	—	—	—	—	—	—	602 132
Financial and Technical Support	6 651	—	—	—	—	—	—	6 651
African Development Bank and African Development Fund	241 872	—	—	—	—	—	—	241 872
World Bank Group	135 500	—	—	7 000	—	—	7 000	142 500
Collaborative Africa Budget Reform Initiative	1 260	—	—	—	—	—	—	1 260
Commonwealth Fund for Technical Cooperation	4 709	—	—	—	—	—	—	4 709
International Funding Facility for Immunisation	10 000	—	—	—	—	—	—	10 000
African Regional Technical Assistance Centre for Southern Africa	350	—	—	—	—	—	—	350
Infrastructure Consortium for Africa	—	—	—	1 000	—	—	1 000	1 000
Total	1 038 179	—	—	2 319	—	—	2 319	1 040 498
Economic classification								
Current payments	35 585	—	—	(5 774)	—	—	(5 774)	29 811
Compensation of employees	25 417	—	—	(5 681)	—	—	(5 681)	19 736
Goods and services	10 168	—	—	(93)	—	—	(93)	10 075
Transfers and subsidies	1 002 474	—	—	8 023	—	—	8 023	1 010 497
Foreign governments and international organisations	1 002 474	—	—	8 000	—	—	8 000	1 010 474
Households	—	—	—	23	—	—	23	23
Payments for capital assets	120	—	—	70	—	—	70	190
Machinery and equipment	120	—	—	70	—	—	70	190
Total	1 038 179	—	—	2 319	—	—	2 319	1 040 498

Programme 7: Civil and Military Pensions, Contributions to Funds and Other Benefits

Subprogramme		2012/13						
		Main appropriation	Adjustments appropriation					Adjusted appropriation
			Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments	
R thousand								
Programme Management for Civil and Military Pensions, Contributions to Funds and Other Benefits	2 438	—	—	(2 438)	—	—	(2 438)	—
Government Pensions Administration Agency	43 854	—	—	—	—	—	—	43 854
Civil Pensions and Contributions to Funds	3 101 964	—	—	(191 051)	—	—	(191 051)	2 910 913
Military Pensions and Other Benefits	200 054	—	—	191 051	—	—	191 051	391 105
Total	3 348 310	—	—	(2 438)	—	—	(2 438)	3 345 872
Economic classification								
Current payments	46 292	—	—	(2 438)	—	—	(2 438)	43 854
Compensation of employees	2 438	—	—	(2 438)	—	—	(2 438)	—
Goods and services	43 854	—	—	—	—	—	—	43 854
Transfers and subsidies	3 302 018	—	—	—	—	—	—	3 302 018
Foreign governments and international organisations	2 239	—	—	—	—	—	—	2 239
Non-profit institutions	85	—	—	—	—	—	—	85
Households	3 299 694	—	—	—	—	—	—	3 299 694
Total	3 348 310	—	—	(2 438)	—	—	(2 438)	3 345 872

Programme 8: Technical Support and Development Finance

Subprogramme		2012/13						
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments	Total adjustments appropriation	
Programme Management for Technical Support and Development Finance	158 466	–	–	2 971	–	–	2 971	161 437
Local Government Financial Management and Skills Development Grant	478 213	–	–	–	–	–	–	478 213
Neighbourhood Development Partnership Grant	658 132	–	–	–	–	–	–	658 132
Municipal Finance Improvement Programme	109 962	–	–	–	–	–	–	109 962
Employment Creation Facilitation Fund	1 000 000	–	–	–	(408 108)	–	(408 108)	591 892
Total	2 404 773	–	–	2 971	(408 108)	–	(405 137)	1 999 636
Economic classification								
Current payments	145 303	–	–	2 940	–	–	2 940	148 243
Compensation of employees	42 052	–	–	(1 198)	–	–	(1 198)	40 854
Goods and services	103 251	–	–	4 138	–	–	4 138	107 389
Transfers and subsidies	2 258 460	–	–	31	(408 108)	–	(408 077)	1 850 383
Provinces and municipalities	1 056 345	–	–	–	–	–	–	1 056 345
Departmental agencies and accounts	140 505	–	–	(1 000)	–	–	(1 000)	139 505
Higher education institutions	8 000	–	–	1 000	–	–	1 000	9 000
Public corporations and private enterprises	1 053 610	–	–	–	(408 108)	–	(408 108)	645 502
Households	–	–	–	31	–	–	31	31
Payments for capital assets	1 010	–	–	–	–	–	–	1 010
Machinery and equipment	1 010	–	–	–	–	–	–	1 010
Total	2 404 773	–	–	2 971	(408 108)	–	(405 137)	1 999 636

Programme 9: Revenue Administration

Subprogramme		2012/13						
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments	Total adjustments appropriation	
South African Revenue Service	9 194 374	–	–	(45 000)	–	–	(45 000)	9 149 374
Total	9 194 374	–	–	(45 000)	–	–	(45 000)	9 149 374
Economic classification								
Transfers and subsidies	9 194 374	–	–	(45 000)	–	–	(45 000)	9 149 374
Departmental agencies and accounts	9 194 374	–	–	(45 000)	–	–	(45 000)	9 149 374
Total	9 194 374	–	–	(45 000)	–	–	(45 000)	9 149 374

Programme 10: Financial Intelligence and State Security

Subprogramme		2012/13						
R thousand	Main appropriation	Adjustments appropriation						Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments	Total adjustments appropriation	
Financial Intelligence Centre	142 325	–	–	54 989	–	–	54 989	197 314
Secret Services	3 755 513	–	–	–	–	29 294	29 294	3 784 807
Total	3 897 838	–	–	54 989	–	29 294	84 283	3 982 121
Economic classification								
Transfers and subsidies	3 897 838	–	–	54 989	–	29 294	84 283	3 982 121
Departmental agencies and accounts	3 897 838	–	–	54 989	–	29 294	84 283	3 982 121
Total	3 897 838	–	–	54 989	–	29 294	84 283	3 982 121

Direct charge against the National Revenue Fund

Subprogramme		2012/13						
		Main appropriation	Adjustments appropriation					Adjusted appropriation
			Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments	
R thousand								
Provincial Equitable Share	309 057 382	–	–	–	–	3 958 416	3 958 416	313 015 798
State Debt Costs	89 388 073	–	–	–	–	(593 586)	(593 586)	88 794 487
General Fuel Levy Sharing with Metros	9 039 687	–	–	–	–	–	–	9 039 687
Total	407 485 142	–	–	–	–	3 364 830	3 364 830	410 849 972
Economic classification								
Current payments	89 388 073	–	–	–	–	(593 586)	(593 586)	88 794 487
Interest and rent on land	89 388 073	–	–	–	–	(593 586)	(593 586)	88 794 487
Transfers and subsidies	318 097 069	–	–	–	–	3 958 416	3 958 416	322 055 485
Provinces and municipalities	318 097 069	–	–	–	–	3 958 416	3 958 416	322 055 485
Total	407 485 142	–	–	–	–	3 364 830	3 364 830	410 849 972

Details of adjustments to Estimates of National Expenditure 2012**Roll-overs – R10 million**

Programme 5: Financial Systems and Accounting

R10 million has been rolled over to fund forensic investigation projects.

Virements and shifts**Programmes**

1. Administration
2. Economic Policy, Tax, Financial Regulation and Research
3. Public Finance and Budget Management
4. Asset and Liability Management
5. Financial Systems and Accounting
6. International Financial Relations
7. Civil and Military Pensions, Contributions to Funds and Other Benefits
8. Technical Support and Development Finance
9. Revenue Administration
10. Financial Intelligence and State Security

FROM:

Programme by economic classification			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 1		(12 481)	Programme 1		12 481
Goods and services	Reduction on consultancy services due to the finalisation of the Supply Chain Management Enhancement project Reduction on travel and subsistence	(141)	Machinery and equipment	For the replacement of obsolete equipment, and the procurement of an integrated electronic security system	141
Compensation of employees	Vacant posts	(9 728)	Goods and services	For the upgrade of PABX software, cleaning services, parking rental, travel and subsistence, consultancy services as well as for forensic audits and the internal audit plan	9 728
	Vacant posts	(186)	Departmental agencies and accounts	For transfers to the Finance, Accounting, Management, Consulting and other Financial Services Sector (FASSET) Education and Training Authority ¹ . For reclassification of Radio and TV licences ¹	186

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
	Vacant posts	(366)	Households	For leave gratuity and for a once-off ex-gratia payment of R250 000 ² in recognition of a significant contribution to Special Pensions	366
	Vacant posts	(1 764)	Machinery and equipment	For the replacement of obsolete equipment, the enterprise archiving solution and the telephone management system	1 764
Buildings and other fixed structures	Reduction on the renovation costs of the 38 Church Square building	(296)	Machinery and equipment	For the procurement of an integrated electronic security system	296
Shifts within the programme as percentage of programme budget		3.9%			
Virements to other programmes as percentage of programme budget		0.0%			
Programme 2		(23 162)	Programme 1		2 814
Goods and services	Reduction on the banking cost recovery mechanism and related bank charges	(2 814)	Machinery and equipment	For the procurement of an integrated electronic security system	2 814
	Reduction on the banking cost recovery mechanism and related bank charges as well as a reduction on economic research consultancy services	(9 952)	Programme 3		9 952
			Goods and services	For the Limpopo Province intervention	9 952
	Reduction on computer services and operating payments	(439)	Programme 8		439
Compensation of employees	Vacant posts	(1 383)	Goods and services	For consultants for the Infrastructure Delivery Improvement Programme projects	439
	Vacant posts	(29)	Programme 2		1 412
	Vacant posts	(5 182)	Goods and services	For stationery and travel and subsistence costs	1 383
	Vacant posts	(2 319)	Households	For leave gratuity	29
	Vacant posts	(1 044)	Programme 3		5 182
			Goods and services	For the Limpopo Province intervention	5 182
			Programme 6		2 319
			Foreign governments and international organisations	For the purchase of shares in the International Finance Corporation ¹	2 319
Shifts within the programme as percentage of programme budget		0.9%	Programme 8		1 044
Virements to other programmes as percentage of programme budget ²		14.6%	Goods and services	For the Infrastructure Delivery Improvement Programme projects	1 044
Programme 3		(4 226)	Programme 3		4 226
Goods and services	Reduction on travel and subsistence	(30)	Machinery and equipment	For the replacement of obsolete equipment	30
Compensation of employees	Vacant posts	(3 620)	Goods and services	For the Limpopo Province intervention, travel and subsistence as well as for consultants providing training to municipalities on the Standard Chart of Accounts	3 620

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 3			Programme 3		
	Vacant posts	(154)	Households	For leave gratuity	154
	Vacant posts	(422)	Machinery and equipment	For the replacement of obsolete equipment	422
Shifts within the programme as percentage of programme budget		1.9%			
Virements to other programmes as percentage of programme budget		0.0%			
Programme 4		(4 285)	Programme 3		2 262
Compensation of employees	Vacant posts	(2 262)	Goods and services	For the Limpopo Province intervention	2 262
	Vacant posts	(535)	Programme 4		535
	Vacant posts	(1 488)	Goods and services	For computer services for the introduction of a new product called the Top-Up bond	535
			Programme 8		1 488
			Goods and services	For consultants for the Infrastructure Delivery Improvement Programme projects	1 488
Shifts within the programme as percentage of programme budget		0.2%			
Virements to other programmes as percentage of programme budget		1.3%			
Programme 5		(179 241)	Programme 5		3 107
Goods and services	Reduction on consultants, training and staff development	(107)	Machinery and equipment	For the replacement of obsolete equipment	107
	Reduction on computer services	(3 000)	Software and other intangible assets	For the intensification of the Integrated Financial Management System project	3 000
	Reduction on consultants and travel and subsistence	(668)	Programme 10		668
			Departmental agencies and accounts	For infrastructure support and to capacitate the operational environment of the Financial Intelligence Centre ¹	668
Compensation of employees	Vacant posts	(100)	Programme 5		679
	Vacant posts	(579)	Goods and services	For bursaries	100
	Vacant posts	(9 321)	Households	For leave gratuity	579
			Programme 10		9 321
			Departmental agencies and accounts	For infrastructure support and to capacitate the operational environment of the Financial Intelligence Centre ¹	9 321
Machinery and equipment	Reclassification of transversal systems	(157 103)	Programme 5		165 466
	Reduction on computer services for the maintenance of the transversal systems	(8 363)	Goods and services	Reclassification of the transversal systems	157 103
			Software and other intangible assets	For the intensification of the Integrated Financial Management System project	8 363
Shifts within the programme as percentage of programme budget		24.7%			
Virements to other programmes as percentage of programme budget		1.5%			

FROM:			TO:		
Programme by economic classification	Motivation	R thousand	Programme by economic classification	Motivation	R thousand
Programme 6		(5 774)	Programme 6		5 774
Goods and services	Reduction on agency and outsourced services	(70)	Machinery and equipment	For the replacement of obsolete equipment	70
	Reduction on communication	(23)	Foreign governments and international organisations	For the purchase of shares and to pay membership fees in respect of the International Finance Corporation to assist with improving infrastructure ¹	23
Compensation of employees	Vacant posts	(23)	Households	For leave gratuity	23
	Vacant posts	(5 658)	Foreign governments and international organisations	For the purchase of shares and to pay membership fees in respect of the International Finance Corporation to assist with improving infrastructure ¹	5 658
Shifts within the programme as percentage of programme budget		0.6%			
Virements to other programmes as percentage of programme budget		0.0%			
Programme 7		(2 438)	Programme 3		2 438
Compensation of employees	Officials moved to Chief Directorate Public Service Pension and Benefits	(2 438)	Goods and services	For the Limpopo Province intervention	2 438
Shifts within the programme as percentage of programme budget		0.0%			
Virements to other programmes as percentage of programme budget		0.1%			
Programme 8		(2 198)	Programme 8		2 198
Compensation of employees	Vacant posts	(1 167)	Goods and services	For consultants for the Infrastructure Delivery Improvement Programme project	1 167
	Vacant posts	(31)	Households	For leave gratuity	31
Departmental agencies and accounts	Reduction in technical support provided by the Technical Assistance Unit Trading Entity	(1 000)	Higher education institutions	For research conducted by the University of Cape Town ¹	1 000
Shifts within the programme as percentage of programme budget		0.1%			
Virements to other programmes as percentage of programme budget		0.0%			
Programme 9		(45 000)	Programme 10		45 000
Departmental agencies and accounts	Reprioritisation of funds ¹	(45 000)	Departmental agencies and accounts	For infrastructure support and to capacitate the operational environment of the Financial Intelligence Centre ¹	45 000
Shifts within the programme as percentage of programme budget		0.0%			
Virements to other programmes as percentage of programme budget		0.5%			
Total		(278 805)			278 805

1. National Treasury approval has been obtained.

2. Only the legislature may approve this virement in terms of the Public Finance Management Act, (Act 1 of 1999).

Declared savings – R408.108 million

Programme 8: Technical Support and Development Finance

Savings of R408.108 million have been declared based on the scheduled requests for proposals and the estimated timing of project disbursements in respect of the Employment Creation Facilitation Fund.

Other adjustments – R24.594 million**Adjustments due to significant and unforeseeable economic and financial events**

An additional amount of R29.294 million has been allocated for higher personnel remuneration increases than the main budget provided for, as follows:

Programme 10: Financial Intelligence and State Security

R29.294 million for the Secret Services

Funds shifted between votes

Programme 2: Economic Policy, Tax, Financial Regulation and Research

R4.700 million is shifted to the Department of Public Enterprises for oversight capacity pertaining to state owned companies.

Direct charges against the National Revenue Fund – R3.365 billion**Adjustments due to significant and unforeseeable economic and financial events**

An additional amount of R3.958 billion has been allocated to the provincial equitable share for higher personnel remuneration increases than the main budget provided for.

State debt costs – (R593.586 million)

State debt costs projections based on macroeconomic forecasts have been reduced by R593.586 million.

Expenditure for 2011/12 and preliminary expenditure for 2012/13

Programme	2011/12					2012/13		
	Expenditure outcome					Preliminary expenditure		
R thousand	Adjusted appropriation	Apr 11 - Sep 11	% of adjusted appropriation	Apr 11 - Mar 12	% of adjusted appropriation	Adjusted appropriation	Apr 12 - Sep 12	% of adjusted appropriation
Administration	281 088	105 341	37.5	254 534	90.6	321 138	127 378	39.7
Economic Policy, Tax, Financial Regulation and Research	228 364	50 050	21.9	140 467	61.5	122 508	57 317	46.8
Public Finance and Budget Management	209 878	97 214	46.3	196 429	93.6	247 315	118 757	48.0
Asset and Liability Management	825 860	436 411	52.8	821 907	99.5	282 807	238 041	84.2
Financial Systems and Accounting	648 205	221 315	34.1	504 861	77.9	686 335	277 608	40.4
International Financial Relations	818 654	63 367	7.7	857 787	104.8	1 040 498	68 217	6.6
Civil and Military Pensions, Contributions to Funds and Other Benefits	3 776 909	1 804 433	47.8	3 314 173	87.7	3 345 872	1 299 646	38.8
Technical Support and Development Finance	4 641 919	729 763	15.7	2 863 296	61.7	1 999 636	779 283	39.0
Revenue Administration	8 653 573	4 326 786	50.0	8 653 573	100.0	9 149 374	4 597 185	50.2
Financial Intelligence and State Security	3 755 021	1 851 941	49	3 755 021	100	3 982 121	1 955 909	49
Subtotal	23 839 471	9 686 621	40.6	21 362 048	89.6	21 177 604	9 519 341	45.0
Direct charge against the National Revenue Fund	377 172 653	184 503 318	48.9	376 768 632	99.9	410 849 972	201 087 683	48.9
Provincial Equitable Share	291 735 509	144 246 430	49.4	291 735 509	100.0	313 015 798	154 528 706	49.4
State Debt Costs	76 864 014	37 399 178	48.7	76 459 993	99.5	88 794 487	43 545 748	49.0
General Fuel Levy Sharing with Metros	8 573 130	2 857 710	33	8 573 130	100	9 039 687	3 013 229	33
Total	401 012 124	194 189 939	48.4	398 130 680	99.3	432 027 576	210 607 024	48.7

R thousand	2011/12 Expenditure outcome					2012/13 Preliminary expenditure		
	Adjusted appropriation	Apr 11 - Sep 11	% of adjusted appropriation	Apr 11 - Mar 12	% of adjusted appropriation	Adjusted appropriation	Apr 12 - Sep 12	% of adjusted appropriation
Economic classification								
Current payments	78 241 806	37 897 452	48.4	77 730 931	99.3	90 127 755	44 134 626	49.0
Compensation of employees	602 286	283 322	47.0	537 100	89.2	616 099	304 546	49.4
Goods and services	775 506	214 952	27.7	733 838	94.6	717 169	284 332	39.6
Interest and rent on land	76 864 014	37 399 178	48.7	76 459 993	99.5	88 794 487	43 545 748	49.0
Transfers and subsidies	321 835 129	155 846 033	48.4	319 639 483	99.3	341 488 407	166 226 711	48.7
Provinces and municipalities	302 571 963	147 682 637	48.8	303 358 918	100.3	323 111 830	158 118 261	48.9
Departmental agencies and accounts	12 688 017	6 282 887	49.5	11 946 093	94.2	13 396 801	6 664 220	49.7
Higher education institutions	–	–	0.0	–	0.0	9 000	3 500	38.9
Foreign governments and international organisations	786 415	49 833	6.3	833 808	106.0	1 012 713	55 494	5.5
Public corporations and private enterprises	2 060 026	58 026	2.8	250 712	12.2	655 502	89 592	13.7
Non-profit institutions	71	71	100.0	71	100.0	85	–	0.0
Households	3 728 637	1 772 579	47.5	3 249 881	87.2	3 302 476	1 295 644	39.2
Payments for capital assets	185 189	46 454	25.1	9 058	4.9	211 414	45 679	21.6
Buildings and other fixed structures	3 600	–	0.0	–	0.0	5 002	–	0.0
Machinery and equipment	17 009	2 868	16.9	9 058	53.3	29 295	1 158	4.0
Software and other intangible assets	164 580	43 586	26.5	–	0.0	177 117	44 521	25.1
Payments for financial assets	750 000	400 000	53	751 208	100	200 000	200 008	100
Total	401 012 124	194 189 939	48.4	398 130 680	99.3	432 027 576	210 607 024	48.7

Main expenditure trends for the first half of 2012/13

Total expenditure for 2011/12 was 99.3 per cent of the 2011/12 adjusted appropriation. Expenditure in the first six months of 2012/13 was R210.607 billion, or 48.7 per cent of the adjusted appropriation of R432.028 billion for the year as a whole. In comparison, mid-year expenditure in 2011/12 was R194.190 billion, or 48.4 per cent of the 2011/12 adjusted appropriation. Expenditure in the first six months of 2012/13 increased by R16.417 billion or 8.4 per cent, compared to expenditure in the first six months of 2011/12.

The main expenditure increase compared to 2011/12 is due to increased direct charges against the National Revenue Fund, including for state debt cost payments, equitable share payments to provinces and municipalities and for the general fuel levy sharing with metros. Increased expenditure on transversal systems, forensic audit investigations and the infrastructure delivery improvement programme, and increased transfer payments made to the Development Bank of Southern Africa for the Employment Creation Facilitation Fund also contributed to the increase.

Departmental receipts

R thousand	2011/12					2012/13			
	Adjusted estimate	Audited outcome				Actual receipts			
		Apr 11 - Sep 11	Apr 11 - Sep 11 adjusted estimate	Apr 11 - Mar 12	Apr 11 - Mar 12 adjusted estimate	Budget estimate	Adjusted estimate	Apr 12 - Sep 12	Apr 12 - Sep 12 adjusted estimate
Departmental receipts	2 445 287	870 952	35.6	3 409 060	139.4	2 732 399	3 400 539	1 487 878	43.8
Sales of goods and services produced by department	60 151	31 200	51.9	71 643	119.1	40 400	40 450	10 435	25.8
Sales of scrap, waste, arms and other used current goods	5	3	60.0	70	1 400.0	18	8	3	37.5
Interest, dividends and rent on land	2 112 454	772 322	36.6	2 861 771	135.5	2 441 481	3 109 481	1 406 372	45.2
Sales of capital assets	–	–	–	–	–	–	100	29	29.0
Transactions in financial assets and liabilities	272 677	67 427	24.7	475 576	174.4	250 500	250 500	71 039	28.4
Extraordinary receipts	3 381 000	–	–	–	–	1 200 000	1 200 000	–	–
Revaluation profits on foreign currency transactions	500 000	–	–	–	–	–	–	–	–
Debt portfolio restructuring	300 000	–	–	–	–	–	–	–	–
Premiums on loan transactions	2 500 000	–	–	–	–	1 200 000	1 200 000	–	–
Liquidation of SASRIA investment	50 000	–	–	–	–	–	–	–	–
Saambou Bank liability	30 000	–	–	–	–	–	–	–	–
Other	1 000	–	–	–	–	–	–	–	–
Total	5 826 287	870 952	14.9	3 409 060	58.5	3 932 399	4 600 539	1 487 878	32.3

Main departmental revenue trends for the first half of 2012/13

Excluding extraordinary receipts, departmental revenue collection in the first six months of 2012/13 was R1.488 billion, or 43.8 per cent of the adjusted revenue estimate of R3.401 billion for the year as a whole. In comparison, mid-year revenue collection in 2011/12 was R870.952 million, or 35.6 per cent of the 2011/12 adjusted estimate. Departmental revenue collection in the first six months of 2012/13 therefore increased by R616.926 million or 70.8 per cent, compared to revenue in the first six months of 2011/12.

The main revenue increase compared to 2011/12 is due to interest earned on higher cash balances in tax and loan investment accounts.

Changes to transfers and subsidies, including conditional grants

Summary of changes to transfers and subsidies per programme

Summary of changes to transfers and subsidies per programme								
R thousand	Main appropriation	2012/13					Adjusted appropriation	
		Adjustments appropriation						
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments		Total adjustments appropriation
Administration								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	435	–	–	186	–	–	186	621
Finance, Accounting, Management, Consulting and other Financial Services	435	–	–	88	–	–	88	523
Sector Education and Training Authority								
Communication: Radio and TV licences	–	–	–	98	–	–	98	98

Summary of changes to transfers and subsidies per programme (continued)

2012/13								
R thousand	Main appropriation	Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments		
Households								
Social benefits								
Current	-	-	-	116	-	-	116	116
Employee social benefits	-	-	-	116	-	-	116	116
Households								
Other transfers to households								
Households								
Current	-	-	-	250	-	-	250	250
Once-off gratuity payment	-	-	-	250	-	-	250	250
Economic Policy, Tax, Financial Regulation and Research								
Households								
Social benefits								
Current	-	-	-	29	-	-	29	29
Employee social benefits	-	-	-	29	-	-	29	29
Public Finance and Budget Management								
Households								
Social benefits								
Current	-	-	-	154	-	-	154	154
Employee social benefits	-	-	-	154	-	-	154	154
Financial Systems and Accounting								
Households								
Social benefits								
Current	-	-	-	579	-	-	579	579
Employee social benefits	-	-	-	579	-	-	579	579
International Financial Relations								
Foreign governments and international organisations								
Current	-	-	-	1 000	-	-	1 000	1 000
Infrastructure Consortium for Africa	-	-	-	1 000	-	-	1 000	1 000
Capital	135 500	-	-	7 000	-	-	7 000	142 500
World Bank Group	135 500	-	-	7 000	-	-	7 000	142 500
Households								
Social benefits								
Current	-	-	-	23	-	-	23	23
Employee social benefits	-	-	-	23	-	-	23	23
Civil and Military Pensions, Contributions to Funds and Other Benefits								
Households								
Social benefits								
Current	2 909 698	-	-	(200 000)	-	-	(200 000)	2 709 698
Contribution to provident funds for associated institutions	813	-	-	(297)	-	-	(297)	516
Other benefits	88 964	-	-	(11 790)	-	-	(11 790)	77 174
Injury on Duty	493 000	-	-	(2 789)	-	-	(2 789)	490 211
Post-Retirement Medical Scheme Contributions	1 880 885	-	-	(200 000)	-	-	(200 000)	1 680 885
Special Pensions	404 665	-	-	23 825	-	-	23 825	428 490
Military Pensions: Ex-Servicemen	41 348	-	-	(8 948)	-	-	(8 948)	32 400
Civil protection	23	-	-	(1)	-	-	(1)	22

Summary of changes to transfers and subsidies per programme (continued)

	Main appropriation	2012/13 Adjustments appropriation					Total adjustments appropriation	Adjusted appropriation
		Roll-overs	Unforeseeable/unavoidable	Virements and shifts	Declared savings	Other adjustments		
R thousand								
Households								
Other transfers to households								
Current	–	–	–	200 000	–	–	200 000	200 000
Non-Statutory Forces	–	–	–	200 000	–	–	200 000	200 000
Technical Support and Development Finance								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	38 000	–	–	(1 000)	–	–	(1 000)	37 000
Project Development Facility	18 000	–	–	14 000	–	–	14 000	32 000
Trading Account								
Technical Assistance Unit	20 000	–	–	(15 000)	–	–	(15 000)	5 000
Trading Entity								
Public corporations and private enterprises								
Public corporations								
Other transfers								
Current	943 648	–	–	–	(408 108)	–	(408 108)	535 540
Development Bank of Southern Africa	943 648	–	–	–	(408 108)	–	(408 108)	535 540
Households								
Social benefits								
Current	–	–	–	31	–	–	31	31
Employee social benefits	–	–	–	31	–	–	31	31
Revenue Administration								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	8 344 708	–	–	(45 000)	–	–	(45 000)	8 299 708
South African Revenue Service	8 344 708	–	–	(45 000)	–	–	(45 000)	8 299 708
Financial Intelligence and State Security								
Departmental agencies and accounts								
Departmental agencies (non-business entities)								
Current	3 645 675	–	–	34 989	–	29 294	64 283	3 709 958
Financial Intelligence Centre	89 825	–	–	34 989	–	–	34 989	124 814
Secret Services	3 555 850	–	–	–	–	29 294	29 294	3 585 144
Capital	52 500	–	–	20 000	–	–	20 000	72 500
Financial Intelligence Centre	52 500	–	–	20 000	–	–	20 000	72 500
Direct charge against the National Revenue Fund								
Provinces and municipalities								
Provinces								
Provincial Revenue Funds								
Current	309 057 382	–	–	–	–	3 958 416	3 958 416	313 015 798
Provincial Equitable Share	309 057 382	–	–	–	–	3 958 416	3 958 416	313 015 798